

An Empirical Research on Hospitality Industry & Decision Making Process in India

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Abstract:- This paper provides the information on the functioning of hospitality sector and its units. This paper also explains in brief about the two major units of hospitality industry which are tourism & accommodation. It discusses about the contribution of the travel and tourism unit to the Indian economy in significance to its growth. It tells how decision is made in the organizations and also the steps involved in decision making. It also discusses the importance of involving employees in decision making process along with the employer.

Keywords:- Hospitality Industry, Accommodation, Travel & Tourism, Decision Making, Job Satisfaction, Job Commitment.

I. INTRODUCTION

The study of discovering and choosing options based on the decision maker's values and preferences is known as decision making. Making a decision indicates that there are several options to examine, and in this situation, we want to not only identify as many of these options as possible, but also to pick the one that best meets our aims, ambitions, preferences, values, and so on (Harris 1980). Other than psychologists, many social scientists try to explain why people behave the way they do. Individual decision making has been the subject of a significant body of theory and a few experiments developed by economists and a few psychologists. This corpus of thought is concerned with the following type of decision-making: given two states, A and B, into which an individual may be placed, the individual selects A over B. (or vice versa). A youngster standing in front of a candy counter, for example, may be evaluating two states. The youngster in state A has \$0.25 and no sweets. The youngster in state B has \$0.15. as well as a ten-cent candy bar. The degree to which accounting is involved in hotel outsourcing decision-making is referred to as the degree of accounting. Department engages in and makes a contribution to the decision-making process about outsourcing. This seems to be a construct deserving of consideration as hotel outsourcing has become more significant recently (Lam and Han, 2005). The economic theory of decision making is a model for predicting such choices. Since the days of Jeremy Bentham, economic theorists have been concerned with this issue (1748- 1832). The economic theory of consumer

decision making (or, as economists refer to it, the theory of consumer choice) has grown increasingly complex, mathematical, and voluminous in recent years. The following are the steps in a generic decision-making process:

➤ Step 1. Define the problem

Root causes, limiting assumptions, system and organisational boundaries and interfaces, and any stakeholder challenges must all be identified as part of this approach. The objective is to summarise the problem in a concise, one-sentence problem statement that includes both the current and desired circumstances.

➤ Step 2. Determine requirements

Requirements are the requirements that must be met by any acceptable solution to the problem. Requirements specify what the problem's solution must accomplish. These criteria are the restrictions specifying the set of possible (admissible) solutions to the decision issue in mathematical form. Even though subjective or judgmental assessments may occur in subsequent processes, the criteria must be specified in accurate quantitative form, i.e. it must be decided unequivocally whether any conceivable solution fulfils the requirements or not. By writing out the requirements and how to check them in a written document, we can avoid the subsequent arguments.

➤ Step 3. Establish goals

Goals are broad declarations of purpose that express desirable programming ideals.... Goals go beyond the bare minimum (i.e. necessities) to include wants and aspirations. The goals are aims in mathematical form, whereas the criteria are limitations. The aims may be at odds, yet this is a common occurrence in actual decision-making scenarios.

➤ Step 4. Identify alternatives

Alternatives present many methods for transforming the starting state into the desired one. Any alternative, whether it's a real one or one that's just been imagined, must match the conditions. If the number of viable options is limited, we may evaluate each one individually to see if it satisfies the requirements. The ones that aren't viable must be eliminated (screened out) from further evaluation, and we end up with an explicit list of options.

➤ *Step 5. Define criteria*

The goals must be used to determine the decision criteria that will be used to differentiate between options. To determine how effectively each alternative fulfils the aims, discriminating criteria must be defined as objective indicators of the goals.

It can be beneficial to organise criteria into a succession of sets that correspond to distinct and discernible components of the decision's overall goal. This is especially useful if the resulting decision structure includes a large number of criteria. Grouping criteria can aid in the process of determining if the collection of criteria chosen is appropriate for the problem, make computing criteria weights easier in some ways, and allow for the creation of higher-level perspectives of the issues. It's a common practise. A tree-structure is a common approach to organise groupings of criteria, sub-criteria, and sub-sub-criteria (UK DTLR (2001)).

II. HOSPITALITY INDUSTRY

The notion of hospitality dates back to the dawn of civilisation. Its evolution from the ancient habit of breaking bread with a passing stranger to the operations of today's diverse hospitality conglomerates makes for fascinating reading, and there are some interesting parallels with modern hospitality management. The term "hospitality" derives from the old French word "hospice," which means "to care

for/provide refuge for visitors." The Indian tourism and hotel business has grown significantly in recent years. India's services industry has emerged as one of the primary drivers of growth. Given the country's rich cultural and historical legacy, diversity in ecosystem, terrains, and natural beauty spots, tourism in India has a lot of promise. In India, as in many other nations, tourism is a significant source of foreign cash. The Hospices de Beaune, often known as the Hôtel Dieu or the House of God, is the most well-known hospice in the Burgundy region of France. Nicolas Rolin, the chancellor of Burgundy, established it as a charity hospital for the destitute in 1443. The hospital is still operational, thanks in part to its importance in the wine industry. Several Burgundian landowners have contributed vines to the Hospices to help pay for its upkeep over the years. Every fall, the wines from these vineyards—which cover around a hundred acres of vines—are auctioned off in a lively wine auction on the third Thursday in November, determining the prices for the next year's Burgundy wines. The hospitality business is large and may be divided into several segments. 'Food and Beverage,' 'Accommodation,' 'Travel and Tourism,' and 'Entertainment and Recreation' are the top four sectors. In essence, hospitality consists of two unique services: providing overnight lodging for those who are staying away from home and providing food for people who are dining away from home. Both of these services meet very basic human needs – the need to sleep and the need to eat (Jones, 2000, p.1).

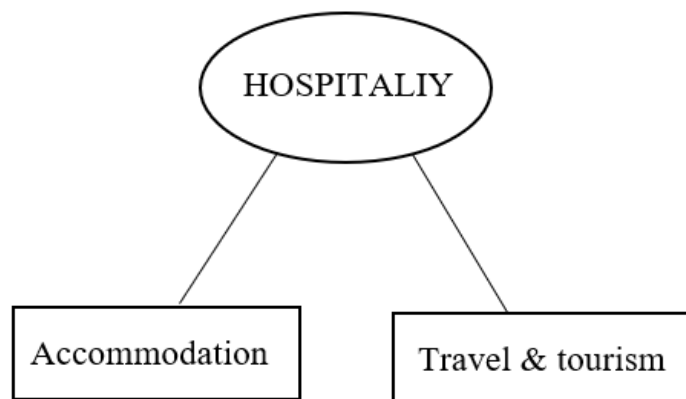


Fig 1:- Hospitality industry and its major units

A variety of services, including transportation, lodging, food, leisure and entertainment, as well as those offered in accordance with tourist objectives, are necessary to satisfy their needs. In terms of these services, providing accommodations is crucial for the tourism industry since without accommodations, people who travel for vacation from their homes would not qualify as tourists.

Tourists use the accommodation sector, which is part of the larger hospitality sector. According to IBEF (Indian brand equity foundation) data, international hotel chains will have a 47 percent share of India's tourism and hospitality sector by 2020 and a 50 percent share by 2022. Tourism is defined by the consumption of food, drink, and lodging in a setting that is different from one's typical home base. The core of hospitality is hosting and providing hospitality to guests as

well as the host (Page, 2011, p.152). Hospitality is the warm and kind receiving and entertaining of visitors or strangers (Pearsall, 1999, p.687). Meeting someone's requirements for food, drink, and entertainment both inside and outside of their hospitality units is considered to be providing accommodation. These services are made to satisfy the dietary and recreational requirements of travellers as well as the particular dietary and recreational requirements of the hospitality sector (Minciu, 2001,p.261). The major service provided by the hospitality section is lodging. A hospitality unit would not exist if it did not provide lodging. However, the accommodation package includes more than just a room with a bed. Other amenities and services, such as ambiance, design, and security, are available to guests who purchase. While all hotels provide lodging for their visitors, the kind of amenities and advantages that come with that service can vary

significantly, even within the same hotel. As a result, the accommodation package comprises the guest room as well as any other facilities and services that are relevant to it (Baker et al, 1996, p.29). The guest room and the service that goes into making it a pleasant and beautiful dwelling for the tourist are the major products in this business (Podd et al, 1964, p.25). The accommodation sector of the tourism business offers a number of well-liked choices, including bed and breakfasts, apartments, timeshares, conference centres, hotels, and motels, as well as RV parks and campsites (Cook et al, 2010, p.157). Every hospitality facility has certain functional departments that make up its accommodations. The following are the key traits (Ene, 2004, p. 178–180):

- Ensuring the safety of travellers lives and property.
- Ensuring complete cleanliness in tourist-reception facilities.
- Using equipment that is installed in lodging areas.

➤ *Objectives*

- To understand the functioning structure of hospitality industry.
- To understand the importance of employee involvement in decision making.

III. LITERATURE REVIEW

According to Simon (1987), decision-makers are unlikely to depend completely on intuition or reason; instead, a continuum of decision-making styles including a close blend of the two types of processes is more typical. By treating both intuitive and cognitive processes as complimentary or dual processes, decision-makers might gain a more balanced viewpoint (SadlerSmith and Shefy 2004).

According to Rodrigues and Hickson, decision processes that involved resources were more likely to result in successful decisions (1995). Resources are defined by Rodrigues and Hickson as the amount, timeliness, and accuracy of data as well as the number and availability of resources (such as cash, materials, and technology). On the basis of this, it is possible to assert that the availability of resources, such as cash, materials, and technology, as well as knowledge, determines how well a decision will turn out.

Dunning and Kundu (1995) used the theory to re-examine some of the factors contributing to the rise in multinational activity in the hotel industry. The theory addresses the problems of "what, where, and how" multinational firms expand worldwide (Altinay, L. (2007))

According to Nutt (1999), 50% of all organisational choices fail. According to Nutt, the most common causes of failure occur during decision implementation rather than decision-making.

Baker et al. (2001) propose that decision-making begin with identifying the decision maker(s) and stakeholder(s) in the choice, reducing the chance of disagreement on the issue description, needs, goals, and criteria.

Hickson et al. (2003) find that the manner in which decisions are implemented appears to be critical for decision success.

Hotel brand management, according to Lehmann (2003), is one of the most significant assets of hotel companies. Customers who book a hotel reservation or utilise other hotel services with a well-known brand hotel are more likely to do so.

According to Nutt ,2004; Sharm., P., Choudhury, M., Raj., K.B, Pallathadka, H., Kharate, D.S. ,2021), decisionmakers should build a pool of ideas to avoid making bad judgments and to broaden the search for alternatives by identifying an acceptable arena of action, setting wide objectives, and looking at things from many angles.

Participatory Decision Making (PDM) is defined by Probst (2005) as the extent to which employers promote and facilitate employees' participation in the company' decision-making process. The authors contend that employees play a crucial role in the generation of ideas, and that empowering them to participate in decision-making increases their commitment to the task at hand.

Workers who participate in their organization's choices, according to Helms (2006), believe they are essentially beneficial to their industry and have a strong opinion of belonging in the workplace. Permitting workers to take part in the decision-making process is critical for bridging that gap between management & employees.

Employee engagement in decision-making, according to Williamson (2008), allows employees to gain the skills and technical knowledge needed to attain more productivity. This even boosts worker morale and confidence, which leads to higher levels of creativity, dedication, and job satisfaction at work.

According to Noah (2008), participatory decision making is a sort of delegation where employees are given more authority to make decisions or choices respectfully.

According to Uyar and Bilgin (2011), budgeting decisions are made in strict confidence, coordination between departments is achieved, targets are set in departments first and then submitted to top management, or targets are set by top management first and then departments' opinions are sought, but targets are set rationally in either case.

According to Kuye and Sulaimon (2011), companies that encourage employee participation in decision-making outperform their competitors. Employee engagement in decision-making, according to the authors, increases employee commitment to raise organisational productivity.

Santa-Maria and Nicolau (2013), Sales tactics are defined as ways for raising a company's sales, such as identifying new customer categories, reworking advertising materials, or introducing new pricing approaches.

IV. RECOMMENDATION

From this paper we can understand the working nature of hospitality industry and how they mainly focuses on the accommodation, which of taking care of the food, beverage, recreations etc,. Tis paper is mainly recommended to understand the decision-making process and to know the importance employee involvement in the decision making.

V. LIMITATIONS

The main limitation of this paper is that the information provided in this paper was mostly collected from the previous articles and few books. We could not collect the information direction by visiting the organization and through interviewing.

VI. CONCLUSION

Hereby, we conclude that the tourism unit in the hospitality industry is particularly important because it provides accommodation, food, and leisure services, all of which contribute significantly in fulfilling the wants (Choudhury, D., Mishra, B. B., & Mohanty, P. K. ,2019) of tourists. Due to the close relationship between the supply of lodging and the industry's unique material and technological foundation, tourist receiving facilities that also serve as tourist accommodations are essential. And decisions in the field will be made by taking into account all of the ideas and alternatives and selecting the best of them. Employee involvement in decision-making is known to be important because it encourages and develops their skills while also making them more committed to their jobs.

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